

Testimony of Keith L. Johnson, Idaho State Controller
U.S. Senate Sub-Committee on Public Lands and Forests
Energy Committee Hearing Room SD-366
Washington, D.C.
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Mr. Chairman:

As Idaho's State Controller, I am one of five members of the State Board of Land Commissioners (Land Board) which is comprised of five of our state's elected officials. This includes the Governor, the Secretary of State, the Attorney General, the Superintendent of Public Instruction and myself, the State Controller. The State Land Board, as trustee, is charged under the Idaho Constitution with the management of state endowment lands and funds to maximize the long-term financial return to certain beneficiaries within the state, most notably the public schools in Idaho.

I come before you today to endorse and request your support for The Idaho Lands Enhancement Act (S. 1131) because of its benefits to citizens, schools and communities as well as the federal and state agencies involved. This collaborative piece of legislation directs the Secretaries of Interior and Agriculture to exchange lands that are currently owned and managed by the federal government with lands owned and managed by the State of Idaho from the Boise Foothills to North Idaho. While my testimony today is my own and is not intended to be a representation of the views of the Land Board as a whole, the board has been involved in this matter from its inception and has voted unanimously to support it.

Passage of this legislation will grant the regulatory authority for this agreement which will ultimately provide the State of Idaho with more timberland, meaning greater revenue to Idaho's public schools. The people of Idaho, particularly those living in the Boise Valley, will get more open space, a precious commodity in one of this nation's fastest growing communities. These lands will be protected from development and other limiting uses forever. Additionally, federal and state agencies will increase efficiency in managing their lands for fire, invasive species, and recreation with their land holdings consolidated, rather than scattered.

The state-owned parcels in the Boise Foothills subject to this exchange are endowment lands that are required under the state constitution to be managed for the maximum benefit of the beneficiaries of the endowment such as public schools. Historically, these lands have provided revenue to the school endowment by leasing the ground to cattle and sheep ranchers for grazing. However, the opportunities for maximum return from this practice are becoming more limited due to the economics of ranching in a more urbanized location versus other competing uses for these lands. The State cannot legally simply convey these parcels to the City of Boise nor can we manage them for non-monetary returns such as recreational or aesthetic purposes. Because of the constitutionally mandated fiduciary duty we have as a board to maximize financial return, we needed a way to protect the open space desires of the local community without negatively impacting the financial condition of the beneficiaries of the endowments. This proposed land exchange is the means to make that possible.

The land board currently manages approximately 750,000 acres of commercial timberland in Idaho. These endowment lands are the principal source of revenue to the beneficiaries, bringing in over \$55,000,000 annually, which benefits the public school children in Idaho. Passage of S.1131 will enhance our ability to provide funding for Idaho's public schools while providing the desired benefits for the community and other government agencies.

The Idaho State Board of Land Commissioners voted last year in a public meeting to grant conceptual approval of this exchange. Final approval is pending the successful passage of this legislation.

All told, the exchange involves approximately 20,000 acres in 7 Idaho counties. A tremendous amount of effort has gone into this exchange. All parcels in the exchange have been evaluated with regard to legal boundaries, encumbrances, legal access, mineral potential, hazardous materials, threatened and endangered plant and animal habitat, wetlands, cultural resources and timber types and volume to ensure equal economic value between the state and federal holdings.

From the very beginning as the concept of this exchange was being developed, a primary goal was to identify a land exchange package that was absent of environmental resource concerns. Once the conceptual exchange lands were agreed to by the agencies, both literature reviews and on the

ground surveys were conducted by professional staff. The analysis was rigorous and included a mix of private independent contractors hired by the City of Boise and professional staff from Idaho Department of Lands and the Clearwater National Forest where the bulk of the federal parcels are located.

After completing the evaluation of the federal parcels to be conveyed to the state, a series of public forums were conducted to solicit public comment. First, meetings were held with County Commissioners to gauge their support. Next, public participation was solicited through a series of open house forums.

Notifications were mailed to federal agency lists throughout the state. Senator Larry Craig, Congressman Butch Otter, and Governor Dirk Kempthorne held a joint news conference to advertise the opportunity to comment on the exchange. A website was developed by the city of Boise to provide information including copies of the proposed legislation, as well as the opportunity to comment. Public open house meetings were held in the Idaho communities of Kellogg, St. Maries, Moscow and Boise.

Tribal governments were also engaged to provide comment. Their principal concern was the ability to continue to hunt and fish on the federal parcels that would be conveyed to the state. The Idaho Department of Lands will honor this request.

While no public land use change is without some level of opposition, this exchange proposal enjoys overwhelming support in Idaho. The exchange encourages both common sense and improved economics. It makes sense for the State to increase revenues to the endowment while ensuring open space access to the citizens of its largest community. It makes sense and saves money to have publicly managed lands connected or contiguous for ecosystem-wide management. It makes sense to consolidate scattered parcels to streamline on the ground management activities. It makes sense for the State of Idaho and the federal government to have better access to prevent and battle invasive species and wildland fire. It makes sense to provide more recreational opportunities and access to our public lands for our citizens.

It is indeed rare to find the level of consensus demonstrated in support of this land exchange. From the environmental community to public officials to land managers, this is viewed as a win-win endeavor. The concept for this land exchange has been open, transparent, and has wide support throughout

the state. This exchange is an example of how local, state, and federal partners can come together to collaboratively develop an exchange in which the public and the land are the ultimate beneficiaries. Consequently, I strongly urge your support in the passage of this legislation.